

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

HODELL-NATCO INDUSTRIES, INC., et al.)	CASE NO.: 1:08 CV 2755
)	
)	
Plaintiffs,)	JUDGE WELLS
)	
vs.)	
)	
SAP AMERICA, INC., et al.,)	<u>ANSWER OF LSI-LOWERY SYSTEMS, INC. AND THE IBIS GROUP, INC. TO COUNTERCLAIM AND CROSS-CLAIM OF SAP DEFENDANTS</u>
)	
Defendants.		

(Jury Demand Endorsed Hereon)

Now come the above-identified defendants, and for their answer to the Cross-claims of SAP America, Inc. and SAP AG, state as follows:

FIRST DEFENSE

1. Admit that SAP produced a business software program known as SAP Business One, and that one of its methods of distribution to business customers was through a channel of value-added-resellers of which Lowery Systems, Inc. was one.
2. Admit Document 37-2 attached to the Counterclaim and Cross-Claim is a true and accurate copy of a December 19, 2003 Agreement between LSI Lowery Systems, Inc. and SAP America, Inc. but specifically deny the interpretation

given to that Agreement in the Counterclaim and Cross-Claim, and its applicability to the claims of the Plaintiff.

3. Admit that IBIS Group, Inc. and LSI-Lowery Systems, Inc. entered into an agreement with plaintiff for a number of things that included collaborative development of In-Flight Enterprise and Radio Beacon and integration with Business One.
4. Admit that plaintiff commenced this action against LSI and SAP directly as a result of the failure of the Business One product to perform as represented and promised, and that plaintiff is seeking economic damages as a result.
5. Specifically deny as untrue the allegations contained in paragraph 7 of Cross-claim.
6. Deny, for want of knowledge, or because the allegations are untrue, each and every other allegation of cross-claim.

SECOND DEFENSE

7. The cross-claims are barred in whole or in part by the Doctrine of Waiver, Estoppel, and/or Unclean Hands.

THIRD DEFENSE

8. The cross-claims are barred by the actions or inactions of cross-claimants, including but not limited to their own contributory or comparative fault, voluntary assumption of known risks, waiver or estoppel.

FOURTH DEFENSE

9. These answering parties allege that they may have insufficient knowledge or information upon which to form a belief as to whether they may have additional,

as yet unstated, separate affirmative defenses available. These parties specifically reserve the right to raise such additional defenses as may appear appropriate following further discovery and factual development of this case. These parties also reserve the right to amend this answer to add, delete or modify defenses based upon legal theories that may, might or will be divulged through clarification of both the allegations of plaintiff and the allegations of cross-claimants and/or through discovery.

FIFTH DEFENSE

10. The Indemnification Agreement cited from document 37-2 may be void as against public policy or Ohio Statutory Authority, depending upon the interpretation or use of it by the SAP Defendants in this action.

WHEREFORE, these answering parties pray the cross-claims against them be dismissed with prejudice, and that they be awarded their costs, attorney fees and other expenses incurred defending against those cross-claims.

Respectfully submitted,

/s/ Roy A. Hulme

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JURY DEMAND

Defendants respectfully request a trial by jury on all issues in this action.

/s/ Roy A. Hulme
ROY A. HULME (0001090)

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing ANSWER OF LIS-LOWERY SYSTEMS, INC. AND THE IBIS GROUP, INC. TO COUNTERCLAIM AND CROSS-CLAIM OF SAP DEFENDANTS was filed electronically this 16th day of September, 2009. Notice of this filing will be sent to all parties by operation of the Court's electronic filing system. Parties may access this filing through the Court's electronic filing system.

/s/ Roy A. Hulme
ROY A. HULME (0001090)